

**Unofficial Draft Copy**

As of: September 8, 2000 (8:52AM)

LC0032

\*\*\*\* Bill No. \*\*\*\*

Introduced By \*\*\*\*\*

By Request of the \*\*\*\*\*

A Bill for an Act entitled: "An Act clarifying certain provisions related to light vehicle registration fees and to other motor vehicle legislation enacted by the fifty-sixth legislature; clarifying that the motor tax appeal procedure applies to light vehicle registration fees; clarifying the payment of motor vehicle registration fees to the highway patrol pension trust fund; allowing a light vehicle that is registered for a 24-month period or that is permanently registered to display number plates in effect at the time of registration; providing that an ex-prisoner of war or surviving spouse is exempt from the light vehicle registration fee; amending sections 15-15-201, 19-6-709, 20-9-141, 61-3-321, 61-3-332, 61-3-457, 61-3-463, 61-3-507, 61-3-560, and 61-3-562, MCA; and providing an immediate effective date, a retroactive applicability date, and a termination date."

Be it enacted by the Legislature of the State of Montana:

**Section 1.** Section 15-15-201, MCA, is amended to read:

**"15-15-201. Motor vehicle tax appeals -- payment and protest of taxes, registration fees, or fees in lieu of tax on motor vehicles.** (1) (a) A taxpayer who seeks to appeal the imposition of taxes, light vehicle registration fees, or fees

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in lieu of tax assessed against a motor vehicle and imposed by the department of justice under authority of 15-8-202 shall file a written application for the appeal not later than 30 days after the anniversary date for reregistration, as determined by 61-3-315, of the vehicle that is the subject of the appeal. The application must be on a form prescribed by the department of justice in consultation with the state tax appeal board.

(b) The application must include a specific explanation of the basis for the taxpayer's appeal. The basis for appeal must be related to the factors to be considered and applied by the department of justice under ~~61-3-502 through 61-3-504~~ 61-3-503, 61-3-506, 61-3-528, and 61-3-529.

(2) (a) The treasurer of the county or municipality is not required to deposit property taxes, light vehicle registration fees, or fees in lieu of tax on a motor vehicle paid under protest in the special fund designated as a protest fund as required for property taxes under 15-1-402. The taxes or fees paid under protest may be reported and distributed in the same manner as those received without protest.

(b) If a refund is payable as a result of the taxpayer prevailing in a tax appeal or court proceeding concerning the protested motor vehicle taxes or fees, a refund may be made in accordance with 15-16-603.

(3) (a) A motor vehicle tax appeal may be heard by the county tax appeal board during its next regularly scheduled session if the application for the appeal was filed by

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December 1. If during its current session, a county tax appeal board refuses or fails to hear a taxpayer's application that was timely filed by December 1, then the taxpayer's application is considered to be granted on the day following the board's final meeting for that year.

(b) A motor vehicle tax appeal filed after December 1 may be held over by the board to a session in the following year. If a taxpayer's application that was timely filed after December 1 of the current session of the county tax appeal board is held over to a session in the following year and if the county tax appeal board refuses or fails to hear the application during the following session, then the application is considered to be granted on the day following the board's final meeting for that year."

{ *Internal References to 15-15-201:*  
15-8-202 x      15-15-103 x      15-16-603 }

**Section 2.** Section 19-6-709, MCA, is amended to read:

**"19-6-709. (Temporary) Supplemental benefits for certain retirees.** (1) In addition to any retirement benefit payable under this chapter, a retired member or a survivor determined by the board to be eligible under subsection (2) must receive an annual lump-sum benefit payment beginning in September 1991 and each succeeding year as long as the member remains eligible.

(2) To be eligible for the benefits under this section, a person must be receiving a monthly benefit before July 1,

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1991, may not be covered by 19-6-710, and must be:

(a) a retired member who is 55 years of age or older and who has been receiving a service retirement benefit for at least 5 years prior to the date of distribution;

(b) a survivor of a member who would have been eligible under subsection (2)(a); or

(c) a recipient of a disability or survivorship benefit under 19-6-601 or 19-6-901.

(3) A retired member otherwise qualified under this section who is employed in a position covered by a retirement system under Title 19 is ineligible to receive any lump-sum benefit payments provided for in this section until the member's service in the covered position is terminated. Upon termination of the member's covered service, the retired member becomes eligible in the next fiscal year succeeding the member's termination.

(4) (a) ~~An amount equal to 25 cents~~ The amount of each motor vehicle registration fee ~~provided for in~~ referred to in 61-3-321(5)(b) and (5)(c) and the fees collected under 61-3-527(4)(b) and 61-3-562(1)(b) must be paid from the general fund to the pension trust fund at the end of each fiscal year. The payment is statutorily appropriated, as provided in 17-7-502, to the pension fund for payment of benefits to eligible recipients. The total funds must be distributed by the board in lump-sum payments to eligible recipients along with their normal retirement benefit payment.

(b) The lump-sum payment must be distributed

proportionally to all eligible recipients based on service credit at the time of retirement, subject to the following:

(i) a recipient under subsection (2)(c) is considered to have 20 years of service for the purposes of the distributions;

(ii) any recipient of a service retirement benefit exceeding the maximum monthly benefit under 19-6-707(2)(a) must have the recipient's service credit reduced 25% for the purposes of the distributions;

(iii) the maximum annual increase in the amount of supplemental benefits paid to each individual under this section is the percentage increase for the previous calendar year in the annual average consumer price index for urban wage earners and workers, compiled by the bureau of labor statistics of the United States department of labor or its successor agency.

(c) Any amount deposited in the pension trust fund under subsection (4)(a) for the payment of supplemental benefits under this section that exceeds the limitation of subsection (4)(b)(iii) must be used to amortize unfunded liabilities of the retirement system.

(5) Every 10 years following July 1, 1991, the board shall review the ~~size of the additional fee collected under 61-3-321(5) and~~ the amount paid to the pension trust fund in accordance with subsection (4)(a) and recommend to each legislature following the board's review any legislation necessary to reduce the ~~fee~~ fees to the minimum amount

necessary to provide the supplemental benefits provided by this section. (Terminates upon death of last eligible recipient--sec. 1, Ch. 567, L. 1991.)"

{Internal References to 19-6-709:  
17-7-502 x      17-7-502 x      61-3-321 a}

**Section 3.** Section 20-9-141, MCA, is amended to read:

**"20-9-141. Computation of general fund net levy requirement by county superintendent.** (1) The county superintendent shall compute the levy requirement for each district's general fund on the basis of the following procedure:

(a) Determine the funding required for the district's final general fund budget less the sum of direct state aid and the special education allowable cost payment for the district by totaling:

(i) the district's nonisolated school BASE budget requirement to be met by a district levy as provided in 20-9-303; and

(ii) any general fund budget amount adopted by the trustees of the district under the provisions of 20-9-308 and 20-9-353, including any additional funding for a general fund budget that exceeds the maximum general fund budget.

(b) Determine the money available for the reduction of the property tax on the district for the general fund by totaling:

(i) the general fund balance reappropriated, as

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established under the provisions of 20-9-104;

(ii) 98% of actual amounts received in fiscal year 1999 for light vehicle taxes under 61-3-504, AS THAT SECTION READ ON DECEMBER 31, 1999;

~~(ii)~~(iii) amounts received in the last fiscal year for which revenue reporting was required for each of the following:

(A) revenue from taxes and fees imposed under 23-2-517, 23-2-803, 61-3-521, 61-3-527, 61-3-529, and 67-3-204;

(B) interest earned by the investment of general fund cash in accordance with the provisions of 20-9-213(4); and

(C) any other revenue received during the school fiscal year that may be used to finance the general fund, excluding any guaranteed tax base aid; and

~~(D) reimbursements for unrealized motor vehicle tax revenue, as provided in 61-3-509(1);~~

~~(iii)~~(iv) anticipated tuition payments for out-of-district pupils under the provisions of 20-5-321 through 20-5-323, except the amount of tuition received for a pupil who is a child with a disability in excess of the amount received for a pupil without disabilities, as calculated under 20-5-323(2);

~~(iv) anticipated revenue from taxes and fees imposed under 61-3-504 and 61-3-537, which for the fiscal year beginning July 1, 2000, may not be less than 75% of the previous year's revenue from these sources;~~

(v) anticipated oil and natural gas production taxes;

(vi) pursuant to subsection (4), anticipated revenue from coal gross proceeds under 15-23-703 and property tax reimbursements under 15-1-111, 15-1-112, and section 167, Chapter 584, Laws of 1999; and

(vii) anticipated revenue from corporation license taxes collected from financial institutions under the provisions of 15-31-702.

(c) Notwithstanding the provisions of subsection (2), subtract the money available to reduce the property tax required to finance the general fund that has been determined in subsection (1)(b) from any general fund budget amount adopted by the trustees of the district, up to the BASE budget amount, to determine the general fund BASE budget levy requirement.

(d) Subtract any amount remaining after the determination in subsection (1)(c) from any additional funding requirement to be met by an over-BASE budget amount, a district levy as provided in 20-9-303, and any additional financing as provided in 20-9-353 to determine any additional general fund levy requirements.

(2) The county superintendent shall calculate the number of mills to be levied on the taxable property in the district to finance the general fund levy requirement for any amount that does not exceed the BASE budget amount for the district by dividing the amount determined in subsection (1)(c) by the sum of:

(a) the amount of guaranteed tax base aid that the



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district will receive for each mill levied, as certified by the superintendent of public instruction; and

(b) the current total taxable valuation of the district, as certified by the department of revenue under 15-10-202, divided by 1,000.

(3) The net general fund levy requirement determined in subsections (1)(c) and (1)(d) must be reported to the county commissioners on the fourth Monday of August by the county superintendent as the general fund net levy requirement for the district, and a levy must be set by the county commissioners in accordance with 20-9-142.

(4) For each school district, the department of revenue shall calculate and report to the county superintendent the amount of revenue anticipated for the ensuing fiscal year from revenue from coal gross proceeds under 15-23-703 and property tax reimbursements under 15-1-111, 15-1-112, and section 167, Chapter 584, Laws of 1999."

**Section 4.** Section 61-3-321, MCA, is amended to read:

**"61-3-321. Registration fees of vehicles -- certain vehicles exempt from license or registration fees -- disposition of fees.** (1) Registration or license fees must be paid upon registration or reregistration of motor vehicles, trailers, housetrailers, and semitrailers, in accordance with this chapter, as follows:

(a) motor vehicles weighing 2,850 pounds or under (other than ~~motortrucks~~ trucks), \$5;

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(b) motor vehicles weighing over 2,850 pounds (other than ~~motortrucks~~ trucks), \$10;

(c) electrically driven passenger vehicles, \$10;

(d) all motorcycles and quadricycles, \$2;

(e) tractors or trucks, \$10;

(f) buses, which are classed as ~~motortrucks~~ trucks, licensed accordingly;

(g) trailers and semitrailers less than 2,500 pounds declared weight and housetrailers of all weights, \$2;

(h) trailers and semitrailers over 2,500 up to 6,000 pounds declared weight (except housetrailers), \$5;

(i) trailers and semitrailers over 6,000 pounds declared weight, \$10, except trailers and semitrailers registered in other jurisdictions through a proportional registration agreement;

(j) trailers used exclusively in the transportation of logs in the forest or in the transportation of oil and gas well machinery, road machinery, or bridge materials, new and secondhand, \$15 annually, regardless of size or capacity.

(2) All rates are 25% higher for motor vehicles, trailers, and semitrailers that are not equipped with pneumatic tires.

(3) "Tractor", as specified in this section, means any motor vehicle, except a passenger car, that is used for towing a trailer or semitrailer.

(4) If a motor vehicle, housetrailer, trailer, or semitrailer is originally registered 6 months after the time

of registration as set by law, the registration or license fee for the remainder of the year is one-half of the regular fee except for trailers or semitrailers registered as provided in 61-3-721(6).

(5)(a) An additional fee of \$5.25 a year for each registration of a vehicle, except trailers and semitrailers registered in other jurisdictions and registered through a proportional registration agreement, must be collected as a registration fee. Revenue from this fee must be forwarded by the respective county treasurers to the state treasurer for deposit in the general fund.

(b) ~~The~~ Except as provided in subsection (5)(c), the department shall pay an amount equal to 25 cents from each motor vehicle registration of the fee collected under subsection (5)(a) from the general fund to the pension trust fund for payment of supplemental benefits provided for in 19-6-709.

(c) The department shall pay 50 cents of the fees collected under subsection (5)(a) for a vehicle registered for a 24-month period under 61-3-560(3) from the general fund to the pension trust fund for payment of supplemental benefits provided for in 19-6-709.

(6) A fee of \$2 for each set of new number plates must be collected when number plates provided for under 61-3-332~~(3)~~(4) are issued. Revenue from this fee must be deposited as provided in subsection (5)(a).

(7) The provisions of this part with respect to the

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payment of registration fees do not apply to and are not binding upon motor vehicles, trailers, semitrailers, or tractors owned or controlled by the United States of America or any state, county, city, or special district, as defined in 18-8-202.

(8) The provisions of this section relating to the payment of registration fees or new number plate fees do not apply when number plates are transferred to a replacement vehicle under 61-3-317, 61-3-332, or 61-3-335.

(9) A person qualifying under 61-3-332(10)(d) or ~~61-3-504~~ 61-3-560 is exempt from the fees required under subsections (1) and (5) of this section. (See compiler's comments for contingent termination of certain text.)"

{Internal References to 61-3-321:

19-6-709 a	19-6-709 a	23-2-804 x	61-3-303 x
61-3-312 x	61-3-317 x	61-3-325 x	61-3-325 x
61-3-325 x	61-3-332 x	61-3-426 x	61-3-456 x
61-3-457 a	61-3-510 x	61-3-721 x	61-3-721 x
61-4-310 x}			

**Section 5.** Section 61-3-332, MCA, is amended to read:

**"61-3-332. Number plates.** (1) A motor vehicle that is driven upon the streets or highways of Montana must display both front and rear number plates, bearing the distinctive number assigned to the vehicle. ~~The number plates are in 10 series: one series for owners of motorcars, one for owners of motor vehicles of the motorcycle or quadricycle type, one for trailers, one for trucks, one for dealers in vehicles of the motorcycle or quadricycle type that bear the distinctive~~

~~letters "MCD" or the letters "MC" and the word "DEALER", one for franchised dealers in new motorcars (including trucks and trailers) or new and used motorcars (including trucks and trailers) that bear the distinctive letter "D" or the word "DEALER", one for dealers in used motorcars only (including used trucks and trailers) that bear the distinctive letters "UD" or the letter "U" and the word "DEALER", one for dealers in trailers and/or semitrailers (new or used) that bear the distinctive letters "DTR" or the letters "TR" and the word "DEALER", one for dealers in recreational vehicles that bear the distinctive letters "RV" or the letter "R" and the word "DEALER", and one for special license plates. All markings for the various kinds of dealers' plates must be placed on the number plates assigned to the dealer, in the position that the department designates.~~

(2) In addition to special license plates and collegiate license plates authorized under this chapter, a separate series of number plates must be issued, in the manner specified, for each of the following vehicle or dealer types:

(a) passenger vehicles, including automobiles, vans, and sport utility vehicles;

(b) motorcycles and quadricycles, bearing the letters "MC" or "CYCLE";

(c) trucks, bearing the letter "T" or the word "TRUCK";

(d) trailers, bearing the letters "TR" or the word "TRAILER";

(e) dealers of new, or new and used, motor vehicles,

including trucks and trailers, bearing the letter "D" or the word "DEALER";

(f) dealers of used motor vehicles only, including trucks and trailers, bearing the letters "UD" or the letter "U" and the word "DEALER";

(g) dealers of motorcycles or quadricycles, bearing the letters "MCD" or the letters "MC" and the word "DEALER";

(h) dealers of trailers or semitrailers, bearing the letters "DTR" or the letters "TR" and the word "DEALER"; and

(i) dealers of recreational vehicles, bearing the letters "RV" or the letter "R" and the word "DEALER".

~~(2)~~(3) All Except as provided in subsections (4)(c) and (4)(d), number plates for motor vehicles must be issued for a maximum period of 4 years, bear a distinctive marking, and be furnished by the state. In years when number plates are not issued, the department shall provide nonremovable stickers bearing appropriate registration numbers that must be affixed to the license plates in use.

~~(3)~~(4) (a) Subject to the provisions of this section, the department shall create a new design for number plates as provided in this section, and it shall manufacture the newly designed number plates for issuance after December 31, 1999, to replace at renewal, as required in 61-3-312 and 61-3-314, number plates that were displayed on motor vehicles before that date.

(b) Beginning January 1, 2000, the department shall manufacture and issue new number plates every 4 years.

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(c) A motor vehicle that is registered for a 24-month period, as provided in 61-3-315 and 61-3-560, may display the number plate and plate design in effect at the time of registration for the entire 24-month registration period.

(d) A motor vehicle that is permanently registered, as provided in 61-3-315 and 61-3-562, may display the number plate and plate design in effect at the time of registration for the entire period that the vehicle is permanently registered.

~~(4)~~(5) In the case of ~~motorcars~~ passenger vehicles and trucks, plates must be of metal 6 inches wide and 12 inches in length. The outline of the state of Montana must be used as a distinctive border on the license plates, and the word "Montana" and the year must be placed across the plates. Registration plates must be treated with a reflectorized background material according to specifications prescribed by the department.

~~(5)~~(6) The distinctive registration numbers must begin with a number one or with a letter-number combination, such as "A 1" or "AA 1", or any other similar combination of letters and numbers. The distinctive registration number or letter-number combination assigned to the vehicle must appear on the plate preceded by the number of the county and appearing in horizontal order on the same horizontal baseline. The county number must be separated from the distinctive registration number by a separation mark unless a letter-number combination is used. The dimensions of the

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numerals and letters must be determined by the department, and all county and registration numbers must be of equal height.

~~(6)~~(7) For the use of tax-exempt motor vehicles, in addition to the markings provided in this section, number plates must bear the following distinctive markings:

(a) For vehicles owned by the state, the department may designate the prefix number for the various state departments. All numbered plates issued to state departments must bear the words "State Owned", and a year number may not be indicated on the plates because these numbered plates are of a permanent nature and will be replaced by the department only when the physical condition of numbered plates requires it.

(b) For vehicles that are owned by the counties, municipalities, and special districts, as defined in 18-8-202, organized under the laws of Montana and not operating for profit, and that are used and operated by officials and employees in the line of duty and for vehicles on loan from the United States government or the state of Montana to, or owned by, the civil air patrol and used and operated by officials and employees in the line of duty, there must be placed on the number plates assigned, in a position that the department may designate, the letter "X" or the word "EXEMPT". Distinctive registration numbers for plates assigned to motor vehicles of each of the counties in the state and those of the municipalities and special districts that obtain plates within each county must begin with number one and be numbered consecutively. Because these number plates are of a permanent



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nature, they are subject to replacement by the department only when the physical condition of the number plates requires it and a year number may not be displayed on the number plates.

~~(7) On all number plates assigned to motor vehicles of the truck and trailer type, other than tax-exempt trucks and tax-exempt trailers, there must appear the letter "T" or the word "TRUCK" on plates assigned to trucks and the letters "TR" or the word "TRAILER" on plates assigned to trailers and housetrailers. The letters "MC" or the word "CYCLE" must appear on plates assigned to vehicles of the motorcycle or quadricycle type.~~

(8) Number plates issued to a passenger car vehicle, truck, trailer, ~~or vehicle of the motorcycle, or quadricycle type~~ may be transferred only to a replacement passenger car vehicle, truck, trailer, ~~or motorcycle- or quadricycle-type vehicle motorcycle, or quadricycle~~. A registration or license fee may not be assessed upon a transfer of a number plate under 61-3-317 and 61-3-335.

(9) For the purpose of this chapter, the several counties of the state are assigned numbers as follows: Silver Bow, 1; Cascade, 2; Yellowstone, 3; Missoula, 4; Lewis and Clark, 5; Gallatin, 6; Flathead, 7; Fergus, 8; Powder River, 9; Carbon, 10; Phillips, 11; Hill, 12; Ravalli, 13; Custer, 14; Lake, 15; Dawson, 16; Roosevelt, 17; Beaverhead, 18; Chouteau, 19; Valley, 20; Toole, 21; Big Horn, 22; Musselshell, 23; Blaine, 24; Madison, 25; Pondera, 26; Richland, 27; Powell, 28; Rosebud, 29; Deer Lodge, 30; Teton,

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31; Stillwater, 32; Treasure, 33; Sheridan, 34; Sanders, 35; Judith Basin, 36; Daniels, 37; Glacier, 38; Fallon, 39; Sweet Grass, 40; McCone, 41; Carter, 42; Broadwater, 43; Wheatland, 44; Prairie, 45; Granite, 46; Meagher, 47; Liberty, 48; Park, 49; Garfield, 50; Jefferson, 51; Wibaux, 52; Golden Valley, 53; Mineral, 54; Petroleum, 55; Lincoln, 56. Any new counties must be assigned numbers by the department as they may be formed, beginning with the number 57.

(10) Each type of special license plate approved by the legislature, except collegiate license plates authorized in 61-3-463, must be a separate series of plates, numbered as provided in subsection ~~(5)~~ (6), except that the county number must be replaced by a nonremovable design or decal designating the group or organization to which the applicant belongs. Unless otherwise specifically stated in this section, the special plates are subject to the same rules and laws as govern the issuance of regular license plates, must be placed or mounted on a vehicle owned by the person who is eligible to receive them, and must be removed upon sale or other disposition of the vehicle. The special license plates must be issued to national guard members, former prisoners of war, persons with disabilities, reservists, disabled veterans, survivors of the Pearl Harbor attack, veterans of the armed services, national guard veterans, legion of valor members, or veterans of the armed services who were awarded the purple heart medal, who comply with the following provisions:

(a) (i) An active member of the Montana national guard

may be issued special license plates with a design or decal displaying the letters "NG". The adjutant general shall issue to each active member of the Montana national guard a certificate authorizing the department to issue national guard plates, numbered in sets of two with a different number on each set, and the member shall surrender the plates to the department upon becoming ineligible to use them.

(ii) The department may issue national guard veteran plates, bearing a design or decal displaying the Montana national guard insignia and the words "National Guard veteran" and numbered in sets of two with a different number on each set, to an applicant who presents to the department a copy of certification of national guard retirement eligibility issued by the appropriate authorities for the applicant or the applicant's deceased spouse and who pays, in addition to all taxes and fees required by parts 3 and 5 of this chapter, a national guard veteran license plate fee of \$10. The additional fee must be distributed in accordance with the provisions of subsection (10)(f)(iii) and (10)(f)(iv).

(b) An active member of the reserve armed forces of the United States of America who is a resident of this state may be issued special license plates with a design or decal displaying the following: United States army reserve, AR (symbol); United States naval reserve, NR (anchor); United States air force reserve, AFR (symbol); and United States marine corps reserve, MCR (globe and anchor). The commanding officer of each armed forces reserve unit shall issue to each

eligible member of the reserve unit a certificate authorizing the issuance of special license plates, numbered in sets of two with a different number on each set. The member shall surrender the plates to the department upon becoming ineligible to use them.

(c) (i) A resident of Montana who is a veteran of the armed forces of the United States and who is 100% disabled because of an injury that has been determined by the department of veterans affairs to be service-connected may, upon presentation to the department of proof of the 100% disability, be issued:

(A) a special license plate under this section with a design or decal displaying the letters "DV"; or

(B) one set of any other military-related plates that the disabled veteran is eligible to receive under this section.

(ii) The fee for original or renewal registration by a 100% disabled veteran for a passenger vehicle or a truck with a GVW-rated capacity of 1 ton or less is \$5 and is in lieu of all other fees and taxes for that vehicle under this chapter.

(iii) Special license plates issued to a disabled veteran are not transferable to another person.

(iv) A disabled veteran is not entitled to a special disabled veteran's license plate for more than one vehicle.

(v) A vehicle lawfully displaying a disabled veteran's plate and that is conveying a 100% disabled veteran is entitled to the parking privileges allowed a person with a

disability's vehicle under this title.

(d)(i) A Montana resident who is a veteran of the armed forces of the United States and was captured and held prisoner by a military force of a foreign nation, documented by the veteran's service record, may upon application and presentation of proof be issued special license plates, numbered in sets of two with a different number on each set, with a design or decal displaying the words "ex-prisoner of war" or an abbreviation that the department considers appropriate.

~~(i)~~(ii) Fees required under 61-3-321(1) and (5) may not be assessed upon one set of license plates issued to an ex-prisoner of war under this subsection (10)(d).

~~(ii)~~(iii) A special license plate fee may not be assessed upon one set of special license plates issued to an ex-prisoner of war under this subsection (10)(d).

~~(iii)~~(iv) An ex-prisoner of war is exempt from the light vehicle ~~taxes~~ registration fee imposed under ~~61-3-504~~ 61-3-560 through 61-3-562 for one vehicle that displays a set of ex-prisoner of war license plates.

~~(iv)~~(v) A surviving spouse of an ex-prisoner of war may retain the special license plates that have been issued to the ex-prisoner of war if the spouse complies with the provisions of 61-3-457.

(e) Except as provided in subsections (10)(c) and (10)(d), upon payment of all taxes and fees required by parts 3 and 5 of this chapter and upon furnishing proof satisfactory

to the department that the applicant meets the requirements of this subsection (10)(e), the department shall issue to a Montana resident who is a veteran of the armed services of the United States special license plates, numbered in sets of two with a different number on each set, designed to indicate that the applicant is a survivor of the Pearl Harbor attack if the applicant was a member of the United States armed forces on December 7, 1941, was on station on December 7, 1941, during the hours of 7:55 a.m. to 9:45 a.m. (Hawaii time) at Pearl Harbor, the island of Oahu, or offshore at a distance of not more than 3 miles, and received an honorable discharge from the United States armed forces. If special license plates issued under subsection (10)(d) and this subsection are lost, stolen, or mutilated, the recipient of the plates is entitled to replacement plates upon request and without charge.

(f) A motor vehicle owner and resident of this state who is a veteran or the surviving spouse of a veteran of the armed services of the United States may be issued license plates inscribed as provided in subsection (10)(f)(i) if the veteran was separated from the armed services under other than dishonorable circumstances or was awarded the purple heart medal:

(i) Upon submission of a department of defense form 214(DD-214) or its successor or documents showing an other-than-dishonorable discharge or a reenlistment, proper identification, and other relevant documents to show an applicant's qualification under this subsection, there must be

issued to the applicant, in lieu of the regular license plates prescribed by law, special license plates numbered in sets of two with a different number on each set. The plates must display:

(A) the word "VETERAN" and a symbol signifying the United States army, United States navy, United States air force, United States marine corps, or United States coast guard, according to the record of service verified in the application; or

(B) a symbol representing the purple heart medal.

(ii) Plates must be furnished by the department to the county treasurer, who shall issue them to a qualified veteran or to the veteran's surviving spouse. The plates must be placed or mounted on the vehicle owned by the veteran or the veteran's surviving spouse designated in the application and must be removed upon sale or other disposition of the vehicle.

(iii) Except as provided in subsections (10)(c) and (10)(d), a veteran or surviving spouse who receives special license plates under this subsection (10)(f) is liable for payment of all taxes and fees required under parts 3 and 4 of this chapter and a special veteran's or purple heart medal license plate fee of \$10. Upon an original application for a license under this subsection (10)(f), the county treasurer shall:

(A) deposit \$3 of the special fee in the county general fund;

(B) remit \$1 for deposit in the state general fund; and

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(C) deposit the remainder of the special fee in the state special revenue account established in 10-2-603 for administration, construction, operation, and maintenance of the state veterans' cemeteries.

(iv) Upon subsequent annual renewal of registration, the county treasurer shall deposit all of the special fee as provided in subsection (10)(f)(iii)(C).

(g) A Montana resident who is eligible to receive a special parking permit under 49-4-301 may, upon written application on a form prescribed by the department, be issued a special license plate with a design or decal bearing a representation of a wheelchair as the symbol of a person with a disability.

(h) The department may issue legion of valor license plates, bearing a design or decal depicting the recognized legion of valor medallion and numbered in sets of two with a different number on each set, to an applicant who presents to the department proper documentation of receipt of a legion of valor award by appropriate authorities to the applicant or the applicant's deceased spouse and who pays all taxes and fees required by parts 3 and 5 of this chapter.

(11) The provisions of this section do not apply to a motor vehicle, trailer, or semitrailer that is registered as part of a fleet, as defined in 61-3-712, and that is subject to the provisions of 61-3-711 through 61-3-733."

{Internal References to 61-3-332 ok:

10-2-603	49-4-301	49-4-302	49-4-302
49-4-304	61-3-301	61-3-313	61-3-321 a



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61-3-321	61-3-321	61-3-407	61-3-412
61-3-426	61-3-426	61-3-426	61-3-426
61-3-426	61-3-426	61-3-446	61-3-452
61-3-453	61-3-454	61-3-455	61-3-457
61-3-457	61-3-463 a	61-3-463	61-3-504
61-3-504	61-4-102 }		

**Section 6.** Section 61-3-457, MCA, is amended to read:

**"61-3-457. Ex-prisoner of war license plates transferable to spouse -- conditions.** Upon the death of an ex-prisoner of war and providing that the surviving spouse does not remarry, the spouse of an ex-prisoner of war may retain and renew the one set of special license plates issued under 61-3-332(10)(d) and is not liable for light vehicle ~~taxes under 61-3-504~~ fees imposed by 61-3-560 through 61-3-562, for the fees required under 61-3-321(1) and (5), or for the special license plate fees required under 61-3-332."

{ Internal References to 61-3-457:  
61-3-332 a          61-3-504 r }

**Section 7.** Section 61-3-463, MCA, is amended to read:

**"61-3-463. Collegiate license plates.** (1) Subject to the provisions of 61-3-332~~(3)~~(4) and the requirement that collegiate license plates must have a white reflectorized background, the department shall design, cause to be manufactured, and issue collegiate license plates as provided in 61-3-464 through 61-3-466.

(2) After consultation with each institution, the department shall prescribe the color and insignia to be displayed on the collegiate license plates for each

institution.

(3) In addition to each institution's distinctive color and insignia provided in subsection (2), each collegiate license plate must:

(a) be imprinted consecutively with distinctive numerals from 1 through 99999, capital letters A through Z, or a combination of numerals and letters; and

(b) bear a nonremovable sticker denoting the correct county designation under 61-3-332.

(4) The department shall determine the minimum and maximum number of characters, including both numerals and letters, on the collegiate license plates.

(5) An issue of collegiate license plates may not be ordered or manufactured for any individual institution unless at least 400 sets of plates are ordered and prepaid."

{Internal References to 61-3-463:

61-3-332 x      61-3-461\* x      61-3-462\* x      61-3-462 x  
61-3-466 x}

**Section 8.** Section 61-3-507, MCA, is amended to read:

**"61-3-507. Exemption.** A vehicle that is exempt from taxation and registration fees under 15-6-215 or subject to the provisions of 61-3-520 is exempt from all other taxes and fees generally imposed on a vehicle by this part."

{Internal References to 61-3-507: None.}

**Section 9.** Section 61-3-509, MCA, is amended to read:

**"61-3-509. Disposition of taxes.** (1) All registration

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fees imposed by [section 2, Chapter 515, Laws of 1999] from light vehicles FOR THE FIRST YEAR OF REGISTRATION, all registration fees imposed by 61-3-522 from motor homes, all fees in lieu of tax imposed by 61-3-527 from motorcycles and quadricycles, and all fees imposed by 61-3-529 from buses, motor vehicles having a manufacturer's rated capacity of more than 1 ton, and truck tractors, for which a license is sought and an original application for title that includes a manufacturer's statement of origin is made, must be remitted to the state treasurer every 30 days. The state treasurer shall credit the payments to the highway restricted state special revenue account.

~~(1)(2)~~ Except as provided in ~~subsection (2)~~ subsections (1) and (3), the county treasurer shall, after deducting the district court fee, credit all taxes on motor vehicles, ~~and registration fees in lieu of tax on light vehicles, and fees in lieu of tax on~~ motorcycles, quadricycles, motor homes, travel trailers, campers, trailers, pole trailers, semitrailers, buses, trucks having a manufacturer's rated capacity of more than 1 ton, and truck tractors collected under [sections 1 through 3, Chapter 515, Laws of 1999], 61-3-504, 61-3-521, 61-3-527, 61-3-529, and 61-3-537, to a motor vehicle suspense fund. At some time between March 1 and March 10 of each year and every 60 days after that date, the county treasurer shall distribute the money in the motor vehicle suspense fund. Except for ~~taxes~~ registration fees collected under ~~61-3-504~~ [sections 1 through 3, Chapter 515,

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Laws of 1999], the county treasurer shall distribute the money in the fund in the relative proportions required by the levies for state, county, school district, and municipal purposes in the same manner as personal property taxes are distributed. For money in the fund collected under ~~61-3-504~~ [sections 1 through 3, Chapter 515, Laws of 1999] and 61-3-527, the county treasurer shall disregard the statewide mills levied for the university system, county elementary and high school equalization under 20-9-331 and 20-9-333, ~~and the mills levied for state equalization aid under 20-9-360~~, and the mills levied for state assumption of public assistance under 53-2-813 in determining distribution proportions of the money and may not distribute money ~~from 61-3-504~~ collected under [sections 1 through 3, Chapter 515, Laws of 1999] and 61-3-527 to the state for ~~either levy those levies. If the distribution of money collected under 61-3-504 to a school district general fund results in a lower revenue than the district received in fiscal year 1999 and the district has, for all years after fiscal year 1999, received less revenue than in fiscal year 1999, then the district general fund is entitled to state reimbursement for the amount of the difference between the fiscal year 1999 revenue and the prior school fiscal year revenue under 61-3-504. Prior to January 31, the office of public instruction shall distribute to each school district an amount equal to the state reimbursement for the prior school year.~~

~~(2)(3)~~ The county treasurer shall deduct as a district

court fee 10% of the amount of the ~~tax~~ registration fee collected on light vehicles under ~~61-3-504(1)~~ [sections 1 through 3, Chapter 515, Laws of 1999]. The county treasurer shall credit the fee for district courts to a separate suspense account and shall forward the amount in the account to the state treasurer at the time that the county treasurer distributes money from the motor vehicle suspense fund. The state treasurer shall credit amounts received under this subsection to the state special revenue fund to be used for purposes of state funding of district court expenses as provided in 3-5-901.

{ Internal References to 61-3-509:  
 3-5-901                3-5-901                20-9-141                23-2-616 }

**Section 10.** Section 61-3-560, MCA, is amended to read:

**"61-3-560. Light vehicle registration fee -- exemptions -- 24-month registration.** (1) Except as provided in subsection (2), there is a registration fee imposed on light vehicles. The registration fee is in addition to other annual registration fees.

(2) The following are exempt from the fee imposed in subsection (1):

(a) ~~Light~~ vehicles that meet the description of property exempt from taxation under 15-6-201(1)(a), (1)(c) through (1)(e), (1)(g), (1)(m), (1)(o), (1)(q), or (1)(w), 15-6-203, or 15-6-215, except as provided in 61-3-520, ~~are exempt from the fee imposed in subsection (1).~~

(b) ~~A motor~~ a vehicle owned by a disabled veteran qualifying for one set of special license plates under 61-3-332(10)(c) or 61-3-426;

(c) a vehicle owned by an ex-prisoner of war qualifying for one set of special plates under 61-3-332(10)(d) or a surviving spouse of an ex-prisoner of war under 61-3-457; and

(d) a motor vehicle registered under 61-3-456 is exempt from the fee imposed by this section.

~~(c)~~(3) A dealer for light vehicles is not required to pay the registration fee for light vehicles that constitute inventory of the dealership and that are reported under 61-3-501.

~~(3)~~(4) The owner of a motor vehicle subject to the provisions of 61-3-313 through 61-3-316 may register the light vehicle for a period not to exceed 24 months. The application for registration or reregistration must be accompanied by the registration fee and all other fees required in this chapter for each 12-month period of the 24-month period. However, the registration fees required under 61-3-321 (1)(a) or (1)(b) paid at the time of registration or reregistration apply for the entire 24-month registration period."

{Internal References to}

**Section 11.** Section 61-3-562, MCA, is amended to read:

**"61-3-562. Permanent registration -- transfer of vehicle ownership -- rules.** (1) (a) The owner of a light vehicle 11 years old or older subject to the registration fee, as

provided in 61-3-561, may permanently register the vehicle upon payment of a \$50 registration fee, the applicable registration and license fees under 61-3-321, and an amount equal to five times the applicable fees imposed for each of the following:

- (i) junk vehicle disposal fees under 61-3-508;
- (ii) weed control fees under 61-3-510;
- (iii) county motor vehicle computer fees under 61-3-511;
- (iv) the local option vehicle tax or flat fee on vehicles under 61-3-537;
- (v) if applicable, license plate fees under 61-3-332 and renewal fees for personalized plates under 61-3-406;
- (vi) if applicable, the amateur radio operator license plate fee under 61-3-422; and
- (vii) if applicable, the annual scholarship donation fee under 61-3-465.

(b) A person who permanently registers a vehicle as provided in subsection (1)(a) shall pay an additional \$2 fee at the time of registration for deposit in the state general fund. The department shall pay from the general fund an amount equal to the \$2 fee collected under this subsection (1)(b) from each motor vehicle registration to the pension trust fund for payment of supplemental benefits provided for in 19-6-709.

(2) In addition to the fees described in subsection (1), an owner of a truck with a manufacturer's rated capacity of 1 ton or less that is permanently registered shall pay five times the applicable fees imposed under 61-10-201.

(3) The owner of a vehicle that is permanently registered under this section is not subject to additional fees under 61-3-561 or to other motor vehicle registration fees described in this section for as long as the owner owns the vehicle.

(4) The county treasurer shall:

(a) disburse the \$50 registration fee collected under this section as provided in 61-3-509;

(b) once each month, remit to the state treasurer the amounts collected under this section for the purposes of ~~61-3-121(5)~~ 61-3-321(5), 61-3-508, 61-3-510, 61-3-511, and 61-10-201.

(5) (a) The permanent registration of a vehicle allowed by this section may not be transferred to a new owner. If the vehicle is transferred to a new owner, the department shall cancel the vehicle's permanent registration.

(b) Upon transfer of a vehicle registered under this section to a new owner, the new owner shall apply for a certificate of ownership under 61-3-201 and file an application for registration under 61-3-303."

{Internal References to.}

**NEW SECTION. Section 12. Coordination instruction. (1)**

If [this act] is passed and approved and if Chapter 515, Laws of Montana is approved by the electorate, then 61-3-736 must read as follows:

**"61-3-736. Assessment of proportionally registered**



~~interstate motor vehicle fleets -- payment of tax or fee in lieu of tax fees required for registration.~~ (1) (a) ~~Except as provided in subsection (2), the~~ The department of transportation shall determine the fee for the purpose of imposing the fee in lieu of tax as provided in 61-3-528 and 61-3-529 and the registration fee under 61-3-560 and 61-3-561 on light vehicles, buses, trucks having a manufacturer's rated capacity of more than 1 ton, and truck tractors, in interstate motor vehicle fleets that are proportionally registered under the provisions of 61-3-711 through 61-3-733. The fee must be apportioned on the ratio of total miles traveled to in-state miles traveled as prescribed by 61-3-721. The fee in lieu of tax or registration fee on interstate motor vehicle fleets is imposed upon application for proportional registration and must be paid by the persons who own or claim the fleet or in whose possession or control the fleet is at the time of the application.

(b) With respect to an original application for a fleet that has a situs in Montana for the purpose of the fee in lieu of tax or registration fee under this part or any other provision of the laws of Montana, the fee in lieu of tax or registration fee on fleet vehicles must be prorated according to the ratio that the remaining number of months in the year bears to the total number of months in the year.

~~(2) For the purpose of taxation, the department of transportation shall assess light vehicles, as defined in 61-1-139, that are part of an interstate motor vehicle fleet~~

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~~as follows:~~

~~—— (a) The value of each vehicle is determined in the same manner as provided in 61-3-503.~~

~~—— (b) The value determined under subsection (2)(a) multiplied by the percent of miles traveled in Montana, as prescribed by 61-3-721, is the market value.~~

~~—— (c) The sum of the market value of all vehicles subject to tax under this subsection (2) multiplied by 2% is the tax for the entire fleet.~~

~~—— (d) With respect to an original application for a fleet that has a situs in Montana for the purpose of taxation under this part or any other provision of the laws of Montana, the taxes on taxable vehicles are determined as provided in subsection (2)(b).~~

~~(e)(c)~~ Vehicles ~~taxed~~ SUBJECT TO THE REGISTRATION FEE as part of a fleet under this subsection ~~(2)~~ (1) are not subject to the local option tax or flat fee imposed under 61-3-537 or 61-3-570.

~~(3)(2)~~ With respect to a renewal application for a fleet, ~~taxable vehicles are assessed and taxed for a full year and for all other vehicles the fee in lieu of tax~~ AND THE LIGHT VEHICLE REGISTRATION FEE ~~is~~ are imposed for a full year.

~~(4)(3)~~ Vehicles contained in a fleet for which current ~~taxes or fees, or both,~~ have been assessed and paid may not be assessed or charged fees under this section upon presentation to the department of proof of payment of ~~taxes, fees, or both~~ for the current registration year. The payment of fleet

vehicle ~~taxes~~, registration fees, fees in lieu of tax, and license fees is a condition precedent to proportional registration or reregistration of an interstate motor vehicle fleet.

~~(5)~~(4) All ~~taxes and~~ fees collected on motor vehicle fleets under this chapter must be deposited and distributed as provided in 61-3-738."

(2) If [this act] is passed and approved and if Chapter 515, Laws of Montana is approved by the electorate, then 61-3-737 must read as follows:

**"61-3-737. Situs in state of proportionally registered fleets -- collection of ~~taxes and fees~~.** (1) For the purposes of this part, any vehicle previously registered or that has had application for registration made under the provisions of 61-3-711 through 61-3-733 has a situs in Montana for the purposes of ~~taxation or~~ the REGISTRATION FEE OR THE fee in lieu of tax.

(2) The department of transportation shall collect the fleet vehicle ~~taxes~~ REGISTRATION FEES, the fees in lieu of tax, and license fees prescribed in this part."

(3) If [this act] is passed and approved and if Chapter 515, Laws of Montana is approved by the electorate, then 61-3-738 must read as follows:

**"61-3-738. Deposit and distribution of ~~taxes and fees on proportionally registered fleets~~.** The ~~taxes~~, LIGHT VEHICLE REGISTRATION FEES, fees in lieu of tax, and license fees collected under this part must be deposited with the state

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treasurer for distribution to the general fund of each county on the following basis:

(1) for fleet ~~vehicle taxes~~ LIGHT VEHICLE REGISTRATION FEES and fees in lieu of tax, according to the ratio of the taxable valuation of each county to the total state taxable valuation; and

(2) for fleet vehicle license fees, according to the ratio of vehicle license fees, other than fees derived from interstate motor vehicle fleets, collected in each county to the sum of all fleet vehicle fees collected in all the counties."

**NEW SECTION. Section 13. {standard} Effective date.**

[This act] is effective on passage and approval.

**NEW SECTION. Section 14. {standard} Retroactive applicability.** [This act] applies retroactively, within the meaning of 1-2-109, to motor vehicles registered after December 31, 2000.

**NEW SECTION. Section 15. Termination.** The provisions of 61-3-321(5)(b) and (5)(c), 61-3-527(4)(b) and 61-3-562(1)(b) terminate upon the death of the last recipient eligible under 19-6-709(2) for the supplemental benefit provided by 19-6-709.

- END -

{Name : Jeff Martin  
Title : Legislative Research Analyst  
Agency: LSD

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Phone : (406)444-3595  
E-Mail: jmartin@mt.gov}